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INFO RUEATRS/DEPT OF TREASURY WASHDC
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UNCLAS AMMAN 001188

SENSITIVE
SIPDIS

STATE FOR EEB/IFD/OIA (GOETHERT, BUTLER), L/CID, NEA/ELA

E.O. 12958: N/A
TAGS: [EINV](#) [CASC](#) [KIDE](#) [OPIC](#) [PGOV](#) [JO](#)
SUBJECT: 2009 REPORT ON INVESTMENT DISPUTES IN JORDAN

REFS: A) STATE 49477
B) 08 AMMAN 1711
C) 07 AMMAN 2997

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11. (U) In response to ref A, the Embassy is aware of two (2) outstanding claims of United States persons against the Government of Jordan (GOJ).

12. (U) The first claim was included in the 2007 and 2008 reports (refs B and C). This dispute is presumed to have ended with the Claimant's cessation of its case against GOJ.

(A) CLAIMANT A

(B) 2007

(C) Case History: Claimant A was granted a concession in a Production Sharing Agreement (PSA) by the GOJ for oil exploration adjacent to the Dead Sea in 1997. According to Claimant A, problems with the National Resource Authority (NRA) began in 2002, when the NRA began concerted efforts to deter potential investors and to drive Claimant A from the region after investing over \$29 million to explore and develop oil resources. Claimant A alleges that the NRA pressured the Claimant to sign an agreement with a partner company in 2006 that gives the latter 80% participating interest and operating rights. GOJ entities have contested the validity of the allegations above. In 2007, Claimant A filed a Notice of Arbitration with the World Bank's International Centre for Settlement of Investment Disputes (ICSID) under the U.S.-Jordan Bilateral Investment Treaty, seeking over \$500 million in damages from the GOJ. Throughout the case, the Embassy has met repeatedly with Claimant A, most recently on December 3, 2008, in a meeting between the Claimant and the Ambassador.

(D) In March 2009, Claimant A withdrew its claims that the GOJ had violated the Investment Treaty and the case was closed. Claimant continues to work with GOJ on the business arrangements with its own intermediary, former Governor John Sununu.

13. (U) The second claim arose after the submission of the 2008 report.

(A) CLAIMANT B

(B) 2009

(C) Case History: In 2009, Claimant B filed a claim with the Government of Jordan's Anti-Corruption Commission alleging that the Jordan Food and Drug Administration (JFDA) had accepted bribes from a competitor who was importing a counterfeit copy of his herbal supplement. Subsequently, JFDA reportedly closed the Claimant's Amman office because of allegations of illegal printing of medicinal packaging and unauthorized local production of medicine. Claimant B accuses JFDA of closing the office as retribution and the Claimant

has been to court five times in order to have the office re-opened most recently on May 19, 2009. JFDA has not been present at any of the five court dates and so the case has been continued and the office remains closed. Claimant B further accuses JFDA of delaying the court case to keep the business closed.

(D) The Embassy has been in frequent contact with the Claimant, most recently on May 20, 2009, and has spoken on the Claimant's behalf with the JFDA twice, most recently on May 13. The Foreign Commercial Service is continuing to provide advocacy support in this case.

¶4. (SBU) Claimant A: Trans-Global Petroleum, Inc. Per the company's website (www.transglobalpetroleum.com), the company is a Houston-based independent oil company. Post cannot confirm whether the corporation is not less than 50 percent beneficially owned by United States citizens or corporations. The Claimant has not signed a Privacy Waiver Act to post's knowledge.

Claimant B: New Jersey International Trading Company (NJITC). NJITC is headquartered in New Jersey and is a licensed sales representative for three different herbal supplement companies in Jordan and elsewhere in the Middle East. The Claimant has not signed a Privacy Waiver Act to post's knowledge.

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